

SENATE BILL 581

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2004 Regular Session
4r2617
CF HB 245

By: **Senators Stone, Della, Dyson, Grosfeld, Hughes, and Jacobs**
Introduced and read first time: February 6, 2004
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Homeowner's Insurance - Underwriting, Cancellation, and Refusal to**
3 **Renew**

4 FOR the purpose of prohibiting an insurer, with respect to homeowner's insurance,
5 from refusing to underwrite a risk or canceling or refusing to renew coverage
6 based in whole or in part on claims filed by a previous owner of the property to
7 be insured or that is insured or on certain inquiries by a policyholder or an
8 insured; and generally relating to homeowner's insurance coverage.

9 BY adding to
10 Article - Insurance
11 Section 27-501(o)
12 Annotated Code of Maryland
13 (2002 Replacement Volume and 2003 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Insurance**

17 27-501.

18 (O) WITH RESPECT TO HOMEOWNER'S INSURANCE, AN INSURER MAY NOT
19 REFUSE TO UNDERWRITE A RISK OR CANCEL OR REFUSE TO RENEW COVERAGE
20 BASED IN WHOLE OR IN PART ON:

21 (1) HOMEOWNER'S INSURANCE CLAIMS MADE BY A PREVIOUS OWNER
22 OF THE PROPERTY TO BE INSURED OR THAT IS INSURED BY THE INSURER; OR

23 (2) AN INQUIRY BY A POLICYHOLDER OR AN INSURED THAT DOES NOT
24 RESULT IN THE PAYMENT OF A CLAIM.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2004.